

Presidents Message

Joe Munsey, RPL Southern California Gas Company To all chapter members and friends of the LAAPL, we welcome everyone back from summer vacation. Trusting all did find some time to vacation and frolic in the sun somewhere else besides here in Southern California. If you did not, Southern California is still not a bad place to be in the summer.

As chapter president, I extend my thanks to our newly elected officers who have volunteered their time and efforts to assist me in running this fine professional organization. I look forward to a great year with this fine executive board and chairs to keep the LAAPL on its steady course of success.

This past year the LAAPL has shown tremendous growth in its membership. The board appreciates those members who have continued to remain in the Chapter. We will add 14 new members to the roster at our September luncheon. To handle our growth, we have appointed Jason Downs, of Downchez Energy, as the chapter's membership chair. With his guidance, the Chapter will have someone full time tending to the needs

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of the membership.

Now, on to matters at hand, I dare not compete with my predecessor in length or breathe in this column, and therefore the readers will find the President's Message rather short and to the point. Thus, on that note, I leave you with the following:

1. Attend our luncheon Thursday where we have Pete Radke of Utiliscan introducing some intriguing technology for locating underground substructures. Never mapped out those gathering lines 90 years ago that are now abandoned... maybe this technology could be the key in locating them.

2. Plan to grace us with your presence at the West Coast Landmen's Institute the end of September in beautiful downtown Santa Barbara. The LAAPL and BAPL have put together one outstanding speaker roster second to none. There is still time to sign on, look for the WCLI's registration form in this issue.

3. We honor our fellow countrymen who perished on September 11th, our heroes who fought the battle that dark day in New York, at the Pentagon and up in the clouds on that lonely flight

over Pennsylvania; and of course our brave service men and woman who are continually on the front line defeating terrorism.

Meeting Luncheon Speaker

"Can Radar Locate Underground Substructures"

Pete Radke holds a B.A. in business from the California State University, Fullerton. He is certified in multiple ground penetrating radar technology applications. His firm UtiliScan, an Orange County based enterprise, is a leader in utility locating and imaging which provides real time information to land developers, planners, agencies, engineers and others who are developing and planning to work near concealed utilities/sub-structures associated with pre and post construction projects.

UtiliScan's client base ranges from large corporation, such as the Boeing Corporation, to small engineering firms who need to control and improve safety when working with underground utilities [wet or dry], and any other underground sub-structures not visible to the eye or the current technology in use today.



Editor's Corner

Joe Munsey, RPL Newsletter Chair

Southern California Gas Company

Well....the Newsletter Chair is still open to anyone in the wings who would delight in the opportunity to take on the role. The helm is still warm and ready for someone to command the rudder of this fine and award winning publication.

Yes my fellow LAAPL members and friends, The Override picked up its third award as best newsletter [small chapter category] at the past AAPL hoopla in Boston, MA, of all places. The AAPL decided to reduce the competition from three categories to two, large chapters and small chapters. Yet, apparently, that did not stop us from taking the crown in the small chapter category, even though that "perceived" move had the effect of enlarging our competition. It goes without saying, our publisher, Randall Taylor, RPL, is to be congratulated for his outstanding work in turning out this professional publication. Of course, and I would be amiss, if we did not acknowledge Cliff Moore for his editorial prudence and all those fine writers who contribute to this top notch chapter newsletter.

Allow me the opportunity as the de facto editor for the moment to jot down a few thoughts until the editor- in-waiting comes forth.

We have found the enemy, and it be us. Whom might that be as you rattle the pages? Just prod me on and I will explain.

Case Number 1. We all remember

green cover British Petroleum the so successfully adorned itself by contributing heavily to every environmental coalition it could write checks into their coffers. Did any of us really believe British Petroleum, a firm whom if you pulled off the façade is merely a company in the business of exploring for and producing wicked oil and gas. Somehow they were able to morph into BP [Beyond Petroleum] along with a sunflower as its logo. Who was kidding whom? Amazingly, you can spend vast sums of petro-dollars on your friends in the environmental movement and buy yourself a green cover - temporarily. Next comes the big spill and British Petroleum, er BP, _ stands naked to the world. I am certain British Petroleum was screaming out to their green friends and allies when their _____ pristine green swaddling clothe they had wrapped themselves in fell slowly and painfully to the bottom of the Gulf. -British Petroleum should have known vou cannot make deals with the devil. Suggestion British Petroleum - quit writing checks.

Case Number 2. Wind and solar power are off and running, but hold on there a minute partner. While one set of greenies push for alternative energy there are those lurking in the shadows groups of "do nada" green ruffians ready to delay, obstruct, thwart, frustrate, or stop progress; they are ready to save whatever is on the endangered species list that day to halt those projects.

John Bryson, Chairman of BrightSource Energy, and former Southern California utility executive, has a \$1.6 billion – dollar government loan guarantee, plus another half billion dollars from Wall Street, for his 370-megawatt Ivanpah – Solar Electric Generating System in the desert ready to go; this after 3 years plus of studying to death the desert – floor environs. Yet a little known fact to most, Mr. Bryson is one of the co-founders of the Natural Resource – Defense Council, an environmental activist group that opposes development of fossil fuel resources and promotes –

greater regulation of the economy and lands. Mr. Bryson helped create this 800 pound gorilla. I am sure it was a good idea way back when to make such friends and write those big checks.

Well, we will give this to him, it probably was a plus to be surrounded by renowned greenies back in the <u>Editor's Corner</u> continued on page 3

2011–2012 Officers & Board of Directors

Joe Munsey, RPL President Southern California Gas Company 714-634-3143
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L. Rae Connet, Esq. Vice President PetroLand Services 310-349-0051
Jennifer Evans Secretary Aeneas, Inc. 949-500-8357
Sarah Downs Treasurer Independent 562-639-9433
Randall Taylor, RPL Director Taylor Land Services, Inc. 949-495-4372
Thomas G. Dahlgren Director Warren E¢P 562-590-0909 Ext. 204
Randall Taylor, RPL Region VIII AAPL Director Taylor Land Service, Inc. 949-495-4372
Newsletter Chair Joe Munsey, RPL Southern California Gas Company 714-634-3143
Communications/Website Chair Randy Taylor, RPL Taylor Land Services 949-495-4372
Membership Chair Jason Downs Downchez Energy, Inc. 858-699-3353
Education Chair Jason Downs Downchez Energy, Inc. 858-699-3353
Nominations Chair TBD
Golf Chair TBD

Editor's Corner continued from page 2

days, and it would serve him well later - maybe. One never knows what **the** crystal ball may disclose; perhaps it envisioned future projects which would need alliances. Perhaps the magic glass ball revealed the need of some green cover for an Ivanpah project with 170,000 mirrors gazing up at the sun.

We certainly would not accuse top flight environmental groups such as the Sierra Club and the aggressive Center for Biological Diversity for looking the other way to assist one of their own. Ah, but for a few extra desert tortoises that wander into the footprint of the project was just enough for the environmental group Western Watersheds Project to call a halt to a shovel ready project. Western Watershed Project now has something in hand to file suit against the Interior Department. Why you ask? If you are thinking in terms of an insufficient study on the impact of wildlife you rightfully guessed. So it must be, the greens outdoing the other greens.

In a recent June 27th issue of *Forbes* detailing this project, BrightSource's chief executive, John Woolard, stated, "If Ivanpah doesn't move forward or can't be done, then we should write off all renewable energy in the country."

Well now Mr. Woolard, wisdom may be beckoning you to join those in the other alternative energy business, perchance the oil and gas business, and come up with a strategy together to produce energy from all sources and the "do nothing" greenies be damn. [Stronger language should be inserted.] Suggestion - quit writing checks.

Case Number 3. To be continued..... maybe.

Well, I would invite everyone to join me for a wonderful LAAPL luncheon and program at the Long Beach Petroleum Club but then I would be repeating myself.

CHAPTER BOARD MEETINGS

Partial list of issues to be discussed at the next board meeting:

- Joint meeting with Los Angeles Basin Geological Society
- Creating a Communications/ Website Chair
- Calling for a report for Michelson Golf Classic
- Filling the Golf and Nominations Chairs
- Other matters

The 2011 – 2012 Board of Directors meet on the third Thursday of the month after our luncheon at the Long Beach Petroleum Club. Board meeting dates coincide with the LAAPL's luncheons.

We encourage all members to attend and see your Board of Directors in action.

Lawyers' Joke of the Month

Jack Quirk, Esq. Bright and Brown

Four old men went into the pro shop after playing 18 holes of golf. The pro asked, 'Did you guys have a good game today?'

The first old guy said, 'Yes, I had three riders today.'

The second old guy said, 'I had the most riders ever. I had five.'

The third old guy said, 'I had 7 riders, the same as last time.'

The last old man said, 'I beat my old record, I had 12 riders today.'

After they went into the locker room, another golfer who had heard the old guys talking about their game went to the pro and said, 'I have been playing golf for a long time and thought I knew all the terminology of the game, but what is a rider?'

The pro said, 'A rider is whenever one of them hits the ball far enough that he needs to get in the golf cart and ride to it.'



Treasurer's Report

As of 6/1/2011, the LAAPL account showed a balance of	\$ 10,704.60
Deposits	\$ 13,149.33
Total Checks, Withdrawals, Transfers	\$ 6,387.11
Balance as of 9/1/2011	\$ 17,466.82
Merrill Lynch Money Account shows a total	\$11,096.90

SCHEDULED LAAPL LUNCHEON TOPICS AND DATES

September 15th Peter Radke

UtiliScan

"Can Radar Locate Below Ground Structures"

> November 17th TBD

January 26th (4th Thursday)

Joint Meeting with Los Angeles Basin Geological Society

March 15th

TBD

May 17th

TBD Officer Elections

LAAPL Award

LAAPL Receives Award

"The Override," the official organ of the LAAPL took first place (small chapter category) at the AAPL convention in Boston, MA. Attending the ceremony and accepting the award was Randall Taylor, RPL. Randall is an outstanding member of the chapter and serves on the LAAPL Board as Director; he also serves as our AAPL Region Chairman for the LAAPL.

Editors Comments: To a large extent the success of the chapter newsletter depends on the contributing writers each month; and above everything else, Randall Taylor, RPL, of Taylor Land Services for all his efforts in publishing "The Override" and giving it the professional appearance.



New Members and Transfers

Our Chapter Board of Directors welcomes the following new member to the Los Angeles Chapter:

Ernest J. Guadiana, Esq. Meyers Nave 333 S Grand Ave., Suite 16 Los Angeles, CA 90071 Business Phone: (213) 626-2906 eguadiana@meyersnave.com

Transfers

Joseph Munsey, RPL, Sempra Utilities 1919 S. State Blvd., MC 8321 Anaheim, CA 92806 Business Phone: (714) 634-3143 - To -

Joseph Munsey, RPL, So. California Gas Company

662 Camino De Los Mares, Suite 1425 San Clemente, CA 92673 Business Phone: (949) 361-8036 jmunsey@semprautilities.com

Rachel Fiertag, Esq., Meyers Nave Riback Silver & Wilson 333 S Grand Avenue, Suite 16 Los Angeles, CA 90071 - To -

Rachel Feiertag,Esq., Occidental of Elk Hills, Inc. 10800 Stockdale Hwy Bakersfield, CA 93311 Business Phone: (661) 412-5470 Rachel_feiertag@oxy.com

Terry Allred, RPL, Transamerica 1899 Western Way, Suite 330 Torrance, CA 90501 Business Phone: (310) 533-0508 terry.allred@transamerica.com - To -

Terry Allred, RPL, Zodiac Energy LLC 901 Tower Way, Suite 306 Bakersfield, CA 93309 Business Phone: (661) 873-4662 terry@zodiacexploration.ca

James Drennan, Foothill Resources, Inc. - To -James Drennan, Tamarack Oil & Gas LLC 1401 Commercial Way, Suite 100 Bakersfield, CA 93309 jdrennan@bak.rr.com

New Member Requests

Nathan Forster, Downchez Energy, Inc. 419 Main Street #357 Huntington Beach, CA Business Phone: (904) 594-9494 nathan.forster@downchezenegy.com

> Sharon Logan, Venoco, Inc. 370 17th Street, Suite 3900 Business Phone: (303) 583-1656 sharon.logan@venocoinc.com

Mark Mandel, Cinco Energy Services, Inc. 9235 Katy Freeway #400 Houston, Texas 77024 Business Phone: (713) 463-6009 mjmpetro@yahoo.com

Jeff Martinez, Western Land Services 4701 Truxtun Avenue, Suite 225 Bakersfield, CA 93309 j_martinez_11@gmail.com

Wes Marshall, Venoco, Inc 6267 Carpinteria Avenue, STE 100 Carpinteria, CA 93103 Business Phone: (805) 745-2183 wes.marshall@venocoinc.com

Sally McElroy, OXY USA, Inc Vintage Production 5 Greenway Plaza, Suite 110 Houston, TX 77046 Business Phone: (713) 350-4617 sally_mcelroy@oxy.com

Jennifer Parkes, Venoco, Inc. 6267 Carpinteria Ave., Suite 200 Carpinteria, CA 93103 Business Phone: (805) 745-2180 jennifer.parkes@venocoinc.com

Edward Rushing, Venoco, Inc. 1518 Mill Rock Way Bakersfield, CA 93311 Business Phone: (661) 617-8933 ed.rushing@venocoinc.com

Maribel Aguilera, Greka Oil & Gas 1791 Sinton Road Santa Maria, CA 93458 Business Phone: (805) 357-2925 maa@greka.com

Mike Flores, Esq., Luna Glushon

Olman Valverde, Esq. , Luna Glushon

Anthony Materna, Esq., Luna Glushon

Dennis Luna, Esq., Luna Glushon 1801 Century Park Los Angeles, CA Business Phone: (310) 556-1444 lwright@lunaglushon.com

Peter R. Clayfield, Next Resources LLC 59 Abrazo Aisle Irvine, CA 92614 Business Phone: (949) 683-7718 pclayfield@cox.net

Welcome Back [Reinstatement]

Gale M. Simmons, ABA Energy Corp. 7612 Meany Avenue Bakersfield, CA 93308 Business Phone: (661) 324-7500 gsimmons@abaenergy.com

Tina Van Breukelen, So California Edison 2131 Walnut Grove Rosemead, CA 91770 Business Phone: (626) 302-4393 tina.vanbreukelen@sce.com

Bill Mickelson, Mickelson Land Services 1610 S. Bev Glen Boulevard Los Angeles, CA 90024 P.O. Box 24159 Los Angeles, CA 90024 Business Phone: (310) 553-4434

Corrections

Editor: We erroneously listed in our last issue that **James L. Jacoby** was employed by PXP. Jim is employed as follows: **James L. Jacoby**, Manager, Western Region Land Department Plains All American Pipeline, L.P. 5900 Cherry Ave, Long Beach, CA 90805 Business Phone: (562) 728-2020 jljacoby@paalp.com

We apologize for any inconvenience this may have caused.

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"It has been almost nineteen years since I founded Venoco, and I remain very excited about the future of our company. We have continued to attract a dynamic, experienced and engaged group of employees, who are creative problem-solvers taking great pride in making Venoco better. Combined with our great long-lived assets, very promising exploration and exploitation opportunities and solid financials, we have an outstanding future."

Timothy Marquez, Chairman and CEO

Venoco, Inc.

CONTACTS:

Thomas E. Clark, RPL, Executive Land Manager Patrick T. Moran, RPL, Senior Land Negotiator Wes Marshall, CPL, Land Manager Unconventional Resources Craig Blancett, Land Manager Sacramento Basin Sharon Logan, CPL, Senior Landman Mark Wilson, Senior Landman Harry Harper, CPL, Senior Land Manager Special Projects

Venoco is an independent energy company engaged in the acquisition, development and exploration of oil and natural gas properties primarily in California. The company was founded in 1992 in Carpinteria, California and has grown to be one of the largest independent producers of oil and natural gas in California.

Corporate Office Denver, Colorado (303) 626-8320 Regional Office Carpinteria, California (805) 745-2100

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EDUCATIONAL CORNER

SEPTEMBER 2011

Santa Fe Land Institute

When: September 19, 2011 Where: Santa Fe, NM *This institute is accredited by AAPL* RL/RPL Continuing Education Credits: 7.0 CPL Recertification Credits: 7.0 CPL/ESA Ethics Credits: (pending)

Field Landman Seminar

When: September 29, 2011 Where: Fort Worth, TX *This institute is accredited by AAPL* RL/RPL Continuing Education Credits: 2.0 CPL Recertification Credits: 2.0 CPL/ESA Ethics Credits: 0.0

Fundamentals of Land Practices (Exam)

When: October 7th – 8th, 2011 Where: San Antonio, TX RL/RPL Continuing Education Credits: 0.0 CPL Recertification Credits: 0.0 CPL/ESA Ethics Credits: 0.0

Field Landman Seminar

When: October 27, 2011 Where: Traverse City, MI *This institute is accredited by AAPL* RL/RPL Continuing Education Credits: 2.0 CPL Recertification Credits: 2.0 CPL/ESA Ethics Credits: 0.0

WI/NRI Workshop

When: October 28, 2011 Where: San Antonio, TX RL/RPL Continuing Education Credits: 0.0 CPL Recertification Credits: 0.0 CPL/ESA Ethics Credits: 0.0

Oil and Gas Land Review (Exam)

When: September 27th – 30th, 2011 Where: Denver, CO *This class is accredited by AAPL* RL/RPL Continuing Education Credits: 18.0 CPL Recertification Credits: 18.0 CPL/ESA Ethics Credits: 1.0

29th Annual West Coast Landmen's Institute

When: September 28th – 30th, 2011 Where: Santa Barbara, CA RL/RPL Continuing Education Credits: 10.0 CPL Recertification Credits: 10.0 CPL/ESA Ethics Credits: 1.0

OCTOBER 2011

Gulf Coast Land Institute

When: October 13th – 14th, 2011 Where: New Orleans, LA RL/RPL Continuing Education Credits: 10.0 CPL Recertification Credits: 10.0 CPL/ESA Ethics Credits: 1.0 (pending)

Applied Land Practices

When: October 28, 2011 Where: Traverse City, MI *This institute is accredited by AAPL* RL/RPL Continuing Education Credits: 7.0 CPL Recertification Credits: 7.0 CPL/ESA Ethics Credits: 1.0



EDUCATIONAL CORNER, Continued

NOVEMBER 2011

Advanced Contracts

When: November 2, 2011 Where: Fort Worth, TX RL/RPL Continuing Education Credits: 0.0 CPL Recertification Credits: 0.0 CPL/ESA Ethics Credits: 0.0

JOA Workshop

When: November 8, 2011 Where: Houston, TX *This institute is accredited by AAPL* RL/RPL Continuing Education Credits: 7.0 CPL Recertification Credits: 7.0 CPL/ESA Ethics Credits: 0.0

Oil and Gas Land Review (Exam)

When: November 16th – 19th, 2011 Where: Fort Worth, TX *This institute is accredited by AAPL* RL/RPL Continuing Education Credits: 18.0 CPL Recertification Credits: 18.0 CPL/ESA Ethics Credits: 1.0

Essential Concepts for Petroleum Land Management

When: November 5th – 6th, 2011 Where: Fort Worth, TX RL/RPL Continuing Education Credits: 0.0 CPL Recertification Credits: 0.0 CPL/ESA Ethics Credits: 0.0

WI/NRI Workshop

When: November 11, 2011 Where: Midland, TX RL/RPL Continuing Education Credits: 0.0 CPL Recertification Credits: 0.0 CPL/ESA Ethics Credits: 0.0

DECEMBER 2011

WI/NRI Workshop

When: December 2, 2011 Where: Fort Worth, TX RL/RPL Continuing Education Credits: 0.0 CPL Recertification Credits: 0.0 CPL/ESA Ethics Credits: 0.0

JOA Workshop

When: December 8th – 9th, 2011 Where: Tulsa, OK *This institute is accredited by AAPL* RL/RPL Continuing Education Credits: 7.0 CPL Recertification Credits: 7.0 CPL/ESA Ethics Credits: 0.0

Fundamentals of Land Practices (Exam) When: December 2nd – 3rd, 2011 Where: Pittsburgh, PA RL/RPL Continuing Education Credits: 0.0

CPL Recertification Credits: 0.0 CPL/ESA Ethics Credits: 0.0



GUEST ARTICLE

HORIZONTAL DRILLING AND SUBSURFACE TRESPASS

By David P. Bolda, Esq. and Gary Younger, Esq.,

Attorneys with the firm of Beatty & Wozniak, P.C., Denver, Colorado

Horizontal and directional drilling has become more prevalent in the oil and gas industry, and so too have some of the legal challenges that come with it. According to the Baker Hughes Rotary Rig Count, as of May 7, 2010, there were 1,492 active rigs in the United States. Of those 1,492 rigs, 764 (51%) were drilling horizontal wells. Another 230 rigs (15%) were drilling directional wells. One of the challenges facing exploration and production companies and operators is how to address private, unleased or uncommitted tracts of land that will be intersected by the horizontal wellbore.

While the laws and regulations directly addressing horizontal drilling are relatively new and still developing, courts and the state agencies charged with regulating the industry have applied traditional theories in dealing with traversing unleased tracts of lands. The law is clear that any intentional or unintentional entry and traverse of a wellbore through an unleased or uncommitted tract of land will likely result in a claim of common law trespass, commonly referred to as "subsurface" trespass. Recent cases, however, have held that through a state's police power, basic property and contract rights can be modified by valid pooling orders issued by a state's oil and gas regulatory authority.

Case law and authorities from a number of jurisdictions differentiate between the bottoming of a well on the leased property that drains minerals from another property, (rule of capture), and a deviation, intentional or unintentional, that bottoms the well on another's property (common-law trespass). In a 2008 Texas case, the issue on appeal was whether subsurface hydraulic fracturing of a natural gas well extending into another's property was a trespass for which the value of gas drained could be recovered as damages. The court held that the rule of capture bars recovery of such damages. *Coastal Oil & Gas Corp. v. Garza Energy Trust,* 268 S.W.3d 1, 14 (Tex. 2008). The court reached this result by explaining that the rule of capture gives a mineral rights owner title to the oil and gas produced from a lawful well bottomed on the property, even if the oil and gas flowed to the well from another owner's tract.

The Texas court explained that the owner whose property was intruded by the fracturing could protect against drainage by drilling his own well. However, the court continued, "[t]he gas produced through a deviated well does not migrate to the wellbore from another's property; it is already on another's property. One cannot protect against drainage from a deviated well by drilling his own well; the deviated well will continue to produce his gas. The justifications for the rule of capture do not support applying the rule to a deviated well." *Coastal Oil & Gas Corp.*, 268 S.W.3d at 14. The court also relied on public policy reasons for not imposing liability for hydraulic fracturing. The court worried that by imposing liability, operators and those involved in the fracturing would not do it if held liable for trespass, which in turn would limit the amount of recoverable natural resources. These same public policy reasons do not exist in the case of horizontal wells.

In Continental Resources, Inc. v. Farrar Oil Co., (Continental), the court explained the rule of capture stating:

[c]apturing oil and gas that migrated from another's land was lawful, but the property law of trespass precluded drilling into the subsurface of another's land to extract oil and gas. A subsurface trespass remains defined that way: The bottoming of a well on the land of another without his consent. Subsurface trespass results from the drilling of a "slant" or directional well, which may be intentional or inadvertent. Since subsurface trespass is as wrongful as surface trespass, the same liability attaches, viz., the damages in the amount of the value of the oil produced.

559 N.W.2d 841, 844 (N.D. 1997).

In *Continental*, Farrar Oil Company was the working interest owner in a quarter section of land. Continental had sought to voluntarily pool all of the interests in the section in order to drill a horizontal well. When Farrar declined, Continental petitioned the North Dakota Industrial Commission to force pool Farrar's interest, which it did. After the well was drilled, Farrar brought an action against Continental for common-law trespass. The court noted that through the state's police powers, spacing and pooling orders modify the law of trespass and interest owners whose interests are force pooled cannot maintain an action for trespass by asserting a concept of individual ownership. Id. at 845-846.

Most, if not all, oil and gas producing states have adopted conservation legislation which give the state's regulating authority the power to pool separately owned interests and establish drilling units to prevent waste and protect correlative



<u>Guest Article</u> <u>continued from page 8</u>

rights. For example, Colorado's legislation states that "[t]o prevent or to assist in preventing waste, to avoid the drilling of unnecessary wells, or to protect correlative rights, the commission . . . has the power to establish drilling units of specified and approximately uniform size and shape covering any pool." Colo. Rev. Stat. § 34-60-116(1). Subsection (6) of that same statute states that "[i]n the absence of voluntary pooling, the commission . . . may enter an order pooling all interests in the drilling unit for the development and operation thereof." Colo. Rev. Stat. § 34-60-116(6).

The statutes from Montana, New Mexico, Utah, and Wyoming all have almost identical language to that of Colorado. It is this type of legislation that courts have relied upon to effectively change the common law rule of trespass as it relates to pooling orders.

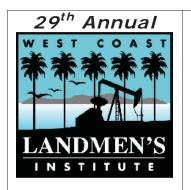
As illustrated by the *Continental* case, courts have held that pooling orders may supersede the common-law rule of trespass. Similar to the North Dakota court's ruling upholding the Industrial Commission's authority to exercise the police powers of the state in Continental, other jurisdictions have upheld their respective regulating authority's power to modify contract and property rights. One Wyoming court noted that the Commission "has jurisdiction and authority over all persons and property, public and private, necessary to effectuate the purposes and intent . . . of the [Oil and Gas Conservation] Act." *Union Pacific Resources Co. v. Texaco, Inc.*, 882 P.2d 212, 222-23 (Wyo. 1994). The Wyoming court further stated that, "[t]he Commission exercises the police power of the State of Wyoming when it issues its orders. Contract rights and

property rights are subject to a reasonable exercise of police power." *Id.* at 223 (citing *Big Piney Oil & Gas Co. v. Wyoming Oil & Gas Conservation Com'n*, 715 P.2d 557, 563 (Wyo.1986); *Bulova Watch Co. v. Zale Jewelry Co. of Cheyenne*, 371 P.2d 409, 417 (Wyo.1962); *Delatte v. Woods*, 94 So.2d 281, 287 (La. 1957); *Superior Oil Co. v. Foote*, 59 So.2d 85, 93 (Miss. 1952)).

The Louisiana Supreme Court reached the same result in a 1986 case. In that case, the plaintiff brought an action for subsurface trespass for a well that was bottomed on his unleased tract of land that had been included in a compulsory unit. Although not a horizontal well, the surface location of the vertical well was near his property boundary but the well bore unintentionally deviated and was bottomed in his tract. The question considered by the court was, "whether the formation of a compulsory unit . . . affects the generally applicable principles concerning ownership of property and/or alters the concept of trespass beneath the surface owner's tract." *Nunez v. Wainoco Oil & Gas Co.*, 488 So.2d 955, 959 (La. 1986). The Louisiana Supreme Court held, "when the Commissioner of Conservation has declared that landowners share a common interest in a reservoir of natural resources beneath their adjacent tracts, such common interest does not permit one participant to rely on a concept of individual ownership to thwart the common right to the resource as well as the important state interest in developing its resources fully and efficiently." *Id.* at 964.

With the role that horizontal drilling will continue to play in the future of our industry, companies will increasingly be required to deal with the legal challenges that come along with it. There are a number of risks associated with drilling through or near an unleased or uncommitted tract of land with a horizontal well, i.e., common law trespass and/or violation of the rules of the state's regulating authority. However, courts have been willing to uphold orders issued by the state's appropriate authority as a reasonable and proper exercise of the state's police power and have treated these orders as a modification of individual property and contract rights. Mssrs. Younger and Bolda can be reached at the Law Firm of Beatty & Wozniak, P.C., (303) 407-4499.





West Coast Landmen's Institute Fess Parker's Doubletree Resort in Santa Barbara, California

> Wednesday – Friday September 28th – 30th, 2011

The Bakersfield Association of Professional Landmen (BAPL) and the Los Angeles Association of Professional Landmen (LAAPL) proudly presents the **29th Annual** West Coast Landmen's Institute, to be held at *Fess Parker Doubletree Resort* in Santa Barbara, California.

As in the past, this year's Institute should prove to be a superb learning opportunity for all land professionals, attorneys, and other professionals who work in the oil and gas industry California properties. The on Registration Fee of \$150 (\$200 if received after August 26th - \$50 more for non-members of the BAPL or LAAPL) and includes institute papers, the Wednesday evening reception, Thursday lunch and dinner at Fess Parker's over looking the ocean, Continental Breakfast each morning, and refreshment breaks. In addition, we are offering the true "Independents" a reduced rate of \$75!**

**In this context, an Independent Landman is defined as any individual who receives compensation for their services, either on a per diem or hourly basis (1099), and who does not routinely employ other Landmen to work on a contract basis for their benefit. In other words, Brokers and Independents who have assistants do <u>not</u> qualify as an Independent Landman for the discounted registration fee.

We anticipate AAPL will award Nine (9) RLP Continuing Education Credits or CPL Recertification Credits and One (1) Ethics Credit, for participation in this Institute. AAPL Attendance Affidavits will be available at this event (see Final Speaker Line-up on next page).

Registrants should make overnight accommodations directly with *Fess Parker's Doubletree Resort*, by calling 877.893.0892 and reference the West Coast Landmen's Institute.

We have a limited number of rooms secured a rate of \$175 per night at *Fess Parker's Doubletree Resort*, but you must book your reservation by August 29th to take advantage of this reduced rate, and room availability is not guaranteed after this date!

Independents: Share a room with another and save!

Individuals will be responsible for their own reservations. You have 72-hours prior to your arrival date in which to cancel your reservation. *All no shows and cancellations within this period will be charged to the individual.* We have guaranteed a minimum number of rooms each night, so we ask you to consider using our block of rooms at Fess Parker's if you plan to rent your lodging in the area for this event. Rooms rates are the same three (3) days prior and three (3) after our event, based on availability.

We have reserved a limited number of tee times for golf on Wednesday afternoon at Ojai Valley Inn and Spa (prior to the WCLI) for our participants. *Please remember to complete the attached Sponsor/Registration form if you wish to play golf or attend the WCLI.*



2011 WCLI Confirmed Speaker Line-up

Wednesday, September 28	th D
Noon	Tee Times at Ojai Valley Inn & Spa
6:30 PM - 9:30 PM	Welcome Reception at the Fess Parker Dining Pavilion
Thursday, September 29th	1
6:30 AM - 7:45 AM	Registration, Breakfast & Networking
7:45 AM - 8:15 AM	Opening Remarks, Agenda Adjustments, Etc.
8:15 AM - 9:15 AM	"Use of Contractors"
	Javier Rivera-Carbone, Esq.
9:15 AM - 9:30 AM	Break
9:30 AM - 11:45 AM	"CEQA Review - Debate Format with a Moderator"
	Michael Mills, Esq., Partner, Stoel Rives, LLP
	Ten Minute Break
	Thomas Henry, Esq., Stoel Rives, LLP
Noon - 1:30 PM	LUNCH
1:30 PM - 2:30 PM	"Royalty Clauses and Lessee Permitted Charges" - Part I
	Marlin Brown,
2:30 PM - 2:45 PM	Break
2:45 pm - 3:45 pm	"Royalty Clause and Lessee Permitted Charges" - Part II
	John Harris, Esq., Meyers Nave
3:45 PM - 4:00 PM	Break
4:00 PM - 5:00 PM	"Top Leasing From the Bottom Up"
	Tracy K. Hunckler, Esq., Day Carter Murphy LLP &
	Sean B. Murphy, Esq., Day Carter Murphy LLP
6:00PM - 9:00 PM	Dinner Reception
	Fess Parker's DoubleTree Resort
Friday - September 30 th	
6:30 AM - 7:30 AM	Breakfast and Networking
7:30 AM - 8:15 AM	"Legislative Update"
	Rock Zierman, Executive Vice President
	California Independent Petroleum Association [CIPA]
8:15 AM – 8:30 AM	Break
8:30 AM - 9:30 AM	"California Dormant Mineral Act - Recent Case to be
	Discussed"
0.00 AM 0.40 AM	Cecilia Rendon, Esq., Bright and Brown
9:30 AM - 9:40 AM	Break
9:40 AM - 10:40 AM	"Global Industry Overview and Predictions"
40-40 004 40-45 004	Dave Kilpatrick, Kilpatrick Energy
10:40 AM - 10:45 AM	Break
10:45 AM - 11:45 AM	"Ethics and Professionalism"
	Anthony C. Marino, Esq., Slattery, Marino & Roberts
11:45 AM - 12:15 PM	Closing Remarks and Acknowledgements



2011 West Coast Landmen's Institute

The Los Angeles Association of Professional Landmen and the Bakersfield Association of Professional Landmen have jointly put together this year's WCLI.

The 29th Annual West Coast Landmen's Institute Conference

When:

Wednesday – Friday September 28th – 30th, 2011

Where: Fess Parker's Doubletree Resort Santa Barbara, CA

Room Rates:

\$175/night Limited Number of Rooms Secured Call Hotel Directly 1-877-893-0892

Schedule of Events:

Wednesday, September 28th - Welcome Reception, 6:30pm – till ?? Wednesday, September 28th - Ojai Valley Inn & Spa Golf Course, Noon Tee Times Thursday, September 29th - Evening Dinner, 6:00 – 8:30pm

Speaker and Topics

Use of Contractors Javier Rivera-Carbone, Esq.

CEQA Review – Debate Format with Moderator Michael Mills, Esq. Thomas Henry, Esq. Stoel Rives, LLP

Royalty Clauses and Lessee Permitted Charges – Part I Marlin Brown

Royalty Clauses and Lessee Permitted Charges – Part II John Harris, Esq. Meyers Nave

Hot Litigation Issues in Oil and Gas in California Tracy T. Hunckler, Esq. Day Carter Murphy, LLP

Legislative Update

Rock Zierman, Executive Vice President California Independent Petroleum Association (CIPA)



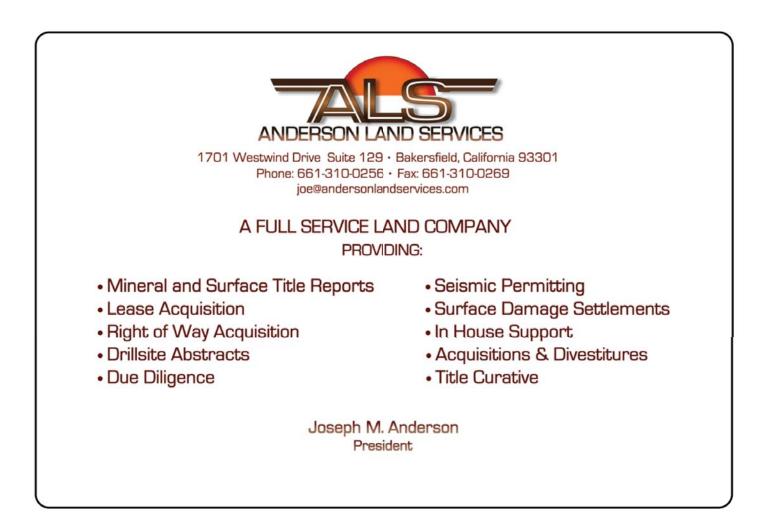
California Dormant Mineral Act – Recent Cases to be Discussed

Cecilia Rendon, Esq. Bright and Brown, LLP

Global Industry Overview and Predictions Dave Kilpatrick

Kilpatrick Energy

Ethics and Professionalism Anthony C. Marino, Esq. Slattery Marino & Roberts, LLP





29TH ANNUAL WCLI REGISTRATION FORM – September 28th - 30th, 2011 Fess Parker's DoubleTree Resort, Santa Barbara, California

Please register early, as there is limited space!

1) Complete name and company information requested below 2) If you plan to play golf on Wednesday afternoon, please check below and make payment with Registration Fees, and 3) Mail this form with a check payable to **Bakersfield Association of Professional Landmen or BAPL** to:

Sarah Downs, c/o Downchez Energy, Inc. 419 Main Street #357 Huntington Beach, CA 92648

\$150 if paid by August 26th (\$50 more for non-members of the BAPL or LAAPL) **OR**

\$200 if paid after August 26th (\$50 more for non-members of the BAPL or LAAPL)

\$75 (Independents)**, if paid by August 26th (\$50 more for non-members of the BAPL or LAAPL) OR

\$125 (Independents)** if paid after August 26th (\$50 more for non-members of the BAPL or LAAPL)

\$50 Spouse/Significant Other (or non-participating Guest) Fee (includes the Wednesday evening reception, Thursday luncheon, and Thursday evening dinner)

**In this context, an Independent Landman is defined as any individual who receives compensation for their services, either on a per diem or hourly basis (1099), and who does not routinely employ other Landmen to work on a contract basis for their benefit. In other words, Brokers and Independents who have assistants do <u>not</u> qualify as an Independent Landman for the discounted registration fee.

Evening Receptions: (X) Wednesday Welcome Reception 9/28 6:30-8:30pm	Number of people:	
Thursday Evening Dinner 9/29 6:00-8:30pm	Number of people:	
Golf: (X)Ojai Valley Inn & Spa – Wednesday, 9/28 – 12:00PM Tee Times\$140 per person (Includes cart, range balls & box lunch		
\$140 per person (Includes cart, range balls & box lunch	Number of players:	1
Calf Danta and		

Golf Partners:

Please note any preference for golfing partners above.

Payment for Golf must be received in advance! Please make payment at the time of registration.

Name	Guest	
Company	Address	
City	State	Zip
Telephone	Email:	CPL or RLP #

Please Note: The West Coast Landmen's Institute (WCLI) retains cancellation rights. In the extreme unlikely event of cancellation, the WCLI organizing committee will make every attempt to notify all pre-registrants. Refunds requested within two weeks of the Institute will be assessed a \$50.00 Administrative Fee.

For questions regarding Registration, please contact Sarah Downs (LAAPL Treasurer) at 562.639.9433 or email <u>sarah@downchezenergy.com</u>

For Sponsorships, please call Rick Peace at 661.324.WOLF (9653) or email <u>rick@whitewolfland.com</u> if you have any questions.



COMPANY NAME:					
SPONSOR LEVEL	ONE	TWO	THREE	FOUR	FIVE
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Public Thank You at Event(s) of Your Choice (see below)		**	***	<u>ት</u> ትት	****
Authorized to Provide Give-a-ways at Registration			ል	አ አአአ	<u>አ</u> ቋቋቋ
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Complimentary Event Registration(s)		One (1) Tuition	Two (2) Tuitions	Four (4) Tuitions	Eight (8) Tuitions
Complimentary Spouse Event Registration(s)				Four (4) Tuitions	Eight (8) Tuitions
SPONSOR LEVEL CHOICE: (X)					

2011 WCLI SPONSORSHIP LEVELS

Please specify which WCLI Event(s) you would like Special Recognition for your Sponsorship: Note: You may sponsor any number of events (not to exceed your total cash sponsor amount). In the event more money is raised than needed for West Coast Landmen's Institute, excess funds will be retained as seed money for future West Coast Landmen's Institutes.

WCLI EVENTS	REQUIRED SPONSORS	QUALIFYING SPONSOR LEVEL	EVENT CHOICE (X)
Golf Tournament	Any Combination of Two Stars <i>or greater</i> (minimum of 3 Two Stars)	Two Stars or above	
Welcome Reception Open Bar Sponsors	Any Combination of Three Stars or greater (minimum of 3 Three Stars)	Three Stars or above	
Welcome Reception	Any Combination of Four Stars or greater (minimum of 2 Four Stars)	Four Stars or above	
Thursday Continental Breakfast	Any Combination of Three Stars or greater (minimum of 3 Three Stars)	Three Stars or above	
Thursday Breaks	Any Combination of Two Stars or greater (minimum of 5 Two Stars)	Two Stars or above	
Thursday Luncheon	Any Combination of Three Stars <i>or greater</i> (minimum of 3 Three Stars)	Three Stars or above	
Fess Parker's Thursday Dinner Open Bar Sponsors	Any Combination of Three Stars <i>or greater</i> (minimum of 3 Three Stars)	Three Stars or above	
Fess Parker's Thursday Dinner	Combination of Four and/or Five Star Levels (minimum of 4 Four Stars or 2 Five Stars)	Four Stars or above	
Friday Continental Breakfast	Any Combination of Three Stars <i>or greater</i> (minimum of 3 Three Stars)	Three Stars or above	
Friday Break	Any Combination of Two Stars or greater (minimum of 2 Two Star)	Two Stars or above	



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